



**ARIZONA STATE SENATE**  
*Fifty-Second Legislature, Second Regular Session*

**FACT SHEET FOR H.B. 2022**

special plates; regionally accredited institutions

Purpose

Creates special plates for regionally accredited institutions of higher education and the respective fund in statute.

Background

The Arizona Department of Transportation's (ADOT) Motor Vehicle Division (MVD) provides one license plate to every motor vehicle owner for each vehicle registered (A.R.S. § 28-2351). Vehicle license plates display both the name of the state, as well as a number assigned to the vehicle and the owner. License plates must be clearly visible and displayed on the rear of the vehicle (A.R.S. § 28-2354).

In addition to regular Arizona vehicle license plates, MVD issues special license plates for a variety of causes and organizations. Currently, over 50 special license plates are available to the public. Several of the plates are limited to those that meet certain qualifications.

The fee for obtaining or renewing a special license plate is \$25 (A.R.S. § 28-2402). From the \$25 fee, typically, \$8 is an administration fee that ADOT deposits in the State Highway Fund (SHF) and \$17 is considered a donation to the respective organization or charitable fund.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Allows ADOT to approve a special plate for a regionally accredited institution of higher education with at least one university campus in this state if \$32,000 is paid for its implementation to ADOT by December 31, 2016.
2. Requires the entity that provides the \$32,000 implementation fee to design the regionally accredited institution of higher education special plate, subject to ADOT approval.
3. Establishes the regionally accredited institution of higher education special plate fund (Fund) and requires the **Director of ADOT (Director)** to administer the Fund.
4. Specifies that, of the \$25 fee required for the original regionally accredited institution of higher education special plate and subsequent renewals, \$8 is an administration fee and \$17

is an annual donation. ADOT is required to deposit all administration fees into the SHF and all annual donations into the Fund.

5. Stipulates that first \$32,000 in the Fund must be reimbursed to the entity that paid the implementation fee.
6. Stipulates that not more than 10 percent of the monies deposited in the Fund annually can be used for the cost of administering the Fund and exempt from lapsing.
7. Requires the Director to annually distribute all monies in the Fund, excluding administrative fees, to a foundation of a regionally accredited institution of higher education that satisfies the following requirements:
  - a) has at least one university campus in this state that has more than 2000 students residing on the campus;
  - b) has a nondiscrimination policy for admissions; and
  - c) is a charitable organization that is qualified under section 501(c)(3) of the United States IRC for federal income tax purposes.
8. Allows the Director to combine a request for a regionally accredited institution of higher education special plate with a request for a personalized special plate, subject to the additional fees for personalized special plates.
9. Requires the State Treasurer, on notice from the Director, to invest and divest monies in the Fund and requires monies earned from investment to be credited to the Fund.
10. Makes technical and conforming changes.
11. Becomes effective on the general effective date.

House Action

TI	2/9/16	DP	7-2-0-0
3 <sup>rd</sup> Read	2/18/16		40-17-3

Prepared by Senate Research  
February 25, 2016  
KN/JN/lis